



Department of Social and Family Affairs

Immediate Increases In Winter Fuel And Domestic Gas Allowances Are Announced For Over 300,000 Welfare Customers

Seamus Brennan - Increases & Supports Are Targeted At Easing Winter Heating Pressures And Protecting Those On Welfare

The Minister for Social Affairs, Seamus Brennan T.D. today announced increases in solid fuel and domestic gas allowances for more than 300,000 welfare customers to assist them in meeting the costs of additional heating needs and increased fuel prices during the winter season.

The value of the weekly fuel allowance under the National Fuel Scheme has been increased by €5, from €9 to €14, with a supplement of €3.90 on top of that - bringing total to €17.90 - in designated smokeless areas. It is estimated that some 274,000 people - 151,000 with basic fuel allowance and 123,000 with smokeless fuel supplement - will benefit directly at an estimated annual cost of just over €125m.

The increased fuel allowance rate, which commenced from 25th September, is paid for 29 weeks up to mid April 2007. It is estimated that the annual value of the fuel support is €406 for those individuals on the basic allowance and €519.10 for those with the smokeless fuel supplement.

Minister Brennan also announced that from today, when domestic gas prices increase by 33.8%, he is significantly increasing the annual value of the Natural Gas Allowance under the Households Benefits Package of supports by more than €200, bringing it from €313.17 to €516.00, in order to protect the 26,000 welfare and other recipients of the allowance from the increased gas costs.

The increase in the value of the allowance it intended to cover the increased cost of the supply charge along with the increased cost of the 1674 kilowatt hours of energy supplied to households, while also providing for an increase in the number of kilowatt hours of energy supplied to these customers. The increased value of the allowance will provide for an increase in the kilowatt hours of energy per annum from 1674 to approx 3600 for each household.

The overall effect of this measure will increase the annual cost of the Gas Allowance to the Department of Social Affairs to more than €14.5 million.



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Minister Brennan has also announced that from the 1st January, 2007, when domestic electricity prices are set to increase by 19.4%, the number of free units of electricity allowed per year will be increased from 1,800 units 2,400 units, in addition to payment of the standing charge.

There are 315,000 customers availing of free electricity units under the Household Benefits Package and of those, 271,000 use all their present allocated units. It is estimated the value of the present number of free units to each customer is €260 per year. When account is taken of the increased cost and the increased number of free units, the value to each customer from January next will be in the region of €414 per year.

The increased free electricity units are estimated to cost the Department €46 million in a full year, with the cost of the price increase alone expected to amount to €15 million.

Minister Brennan said: "For many people on welfare supports, particularly older people and those with disabilities, the winter season can be a very difficult time as the cost of maintaining adequate heating increases. This season there is even more pressures as energy costs are rising significantly compared with previous years. All of these new additional support measures are targeted at easing those pressures and protecting all those people on welfare who are entitled to free energy and fuel allowances. In other words, the State will *pay* more to absorb the price increases and so fully maintain the existing benefits of our most vulnerable people".

The Household Benefits Package, costing €261 million per year, comprises of the Telephone Allowance, Electricity/Natural Gas Allowance and Free TV Licence, and is available to people living in the State aged 66 years or over who are in receipt of a social welfare type payment or who satisfy a means test.

It is also available to carers and people with disabilities under the age of 66 who are in receipt of certain welfare type payments and to all people aged 70 years and over, regardless of their income or household composition.

Ends



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NB: Table attached with details of the number of recipients of the various Household Benefits and the type of Social Welfare payment received.

Number of Recipients of Household Benefits by Type of Payment Received, 2005							
Type of Payment	Free Electricity Allowance	Free Television Licence (1)	Free Television Licence (1)	Free Telephone Rental	Free Bottled Gas	Free Natural Gas	Free Travel (2)
Old Age (Contributory) Pension	53,512	53,512	59,595	57,940	27	6,056	94,571
Old Age (Non-Contributory) Pension	44,392	44,392	45,515	43,764	89	1,034	82,917
Retirement Pension	52,374	52,374	58,893	56,050	34	6,485	82,895
Widow/er's (Contributory) Pension	52,469	52,469	58,161	57,205	3	5,689	69,581
Widow/er's (Non-Contributory) Pension	9,508	9,508	9,757	9,590	10	239	12,551
Invalidity Pension	20,299	20,299	22,444	19,706	16	2,129	50,791
Deserted Wives Allowance	347	347	382	376	0	35	556
Deserted Wives Benefit	527	527	630	608	1	102	925
One Parent Family Payment	39	39	40	34	0	1	132
Occupational Injury Benefit	256	256	284	279	0	28	319
Free Fuel	1,574	1,574	1,596	1,580	0	22	1,503
Blind Pensions	695	695	729	672	1	33	1,878
No Active Pension	23,741	23,741	26,168	28,618	21	2,406	120,089
Garda Widow's Pension (3)	91	91	100	157	0	9	1,311
Carer's Allowance	10,912	10,912	11,712	11,564	24	776	23,758
Disability Allowance	21,483	21,483	22,943	17,841	113	1,347	88,098
British Pension (3)	3,004	3,004	3,134	4,044	1	129	5,132
Others	1,085	1,085	1,173	1,325	3	85	2,650
Total	296,308	296,308	323,256	311,353	343	26,605	639,657

(1) Refers to the number of Licences issued.

(2) Refers to the number of persons in respect of whom travel passes have been issued.

(3) These Pensions are not administered by the Department of Social and Family Affairs.